

SHB 1140 - S COMM AMD

By Committee on Water, Energy & Telecommunications

NOT ADOPTED 04/12/2007

1 Strike everything after the enacting clause and insert the  
2 following:

3 "Sec. 1. RCW 80.60.010 and 2006 c 201 s 1 are each amended to read  
4 as follows:

5 The definitions in this section apply throughout this chapter  
6 unless the context clearly indicates otherwise.

7 (1) "Commission" means the utilities and transportation commission.

8 (2) "Customer-generator" means a user of a net metering system.

9 (3) "Electrical company" means a company owned by investors that  
10 meets the definition of RCW 80.04.010.

11 (4) "Electric cooperative" means a cooperative or association  
12 organized under chapter 23.86 or 24.06 RCW.

13 (5) "Electric utility" means any electrical company, public utility  
14 district, irrigation district, port district, electric cooperative, or  
15 municipal electric utility that is engaged in the business of  
16 distributing electricity to retail electric customers in the state.

17 (6) "Irrigation district" means an irrigation district under  
18 chapter 87.03 RCW.

19 (7) "Meter aggregation" means the administrative combination of  
20 readings from and billing for all meters, regardless of the rate class,  
21 on premises owned or leased by a customer-generator located within the  
22 service territory of a single electric utility.

23 (8) "Municipal electric utility" means a city or town that owns or  
24 operates an electric utility authorized by chapter 35.92 RCW.

25 ((+8)) (9) "Net metering" means measuring the difference between  
26 the electricity supplied by an electric utility and the electricity  
27 generated by a customer-generator over the applicable billing period.

28 ((+9)) (10) "Net metering system" means a fuel cell, a facility  
29 that produces electricity and used and useful thermal energy from a

1 common fuel source, or a facility for the production of electrical  
2 energy that generates renewable energy, and that:

3 (a) Has an electrical generating capacity of not more than one  
4 hundred kilowatts;

5 (b) Is located on the customer-generator's premises;

6 (c) Operates in parallel with the electric utility's transmission  
7 and distribution facilities; and

8 (d) Is intended primarily to offset part or all of the customer-  
9 generator's requirements for electricity.

10 ~~((+10+))~~ (11) "Premises" means any residential property, commercial  
11 real estate, or lands, owned or leased by a customer-generator within  
12 the service area of a single electric utility.

13 (12) "Port district" means a port district within which an  
14 industrial development district has been established as authorized by  
15 Title 53 RCW.

16 ~~((+11+))~~ (13) "Public utility district" means a district authorized  
17 by chapter 54.04 RCW.

18 ~~((+12+))~~ (14) "Renewable energy" means energy generated by a  
19 facility that uses water, wind, solar energy, or biogas from animal  
20 waste as a fuel.

21 **Sec. 2.** RCW 80.60.020 and 2006 c 201 s 2 are each amended to read  
22 as follows:

23 (1) An electric utility:

24 ~~((+1+))~~ (a) Shall offer to make net metering available to eligible  
25 customers-generators on a first-come, first-served basis until the  
26 cumulative generating capacity of net metering systems equals 0.25  
27 percent of the utility's peak demand during 1996. On January 1, 2014,  
28 the cumulative generating capacity available to net metering systems  
29 will equal 0.5 percent of the utility's peak demand during 1996. Not  
30 less than one-half of the utility's 1996 peak demand available for net  
31 metering systems shall be reserved for the cumulative generating  
32 capacity attributable to net metering systems that generate renewable  
33 energy;

34 ~~((+2+))~~ (b) Shall allow net metering systems to be interconnected  
35 using a standard kilowatt-hour meter capable of registering the flow of  
36 electricity in two directions, unless the commission, in the case of an

1 electrical company, or the appropriate governing body, in the case of  
2 other electric utilities, determines, after appropriate notice and  
3 opportunity for comment:

4 ~~((a))~~ (i) That the use of additional metering equipment to  
5 monitor the flow of electricity in each direction is necessary and  
6 appropriate for the interconnection of net metering systems, after  
7 taking into account the benefits and costs of purchasing and installing  
8 additional metering equipment; and

9 ~~((b))~~ (ii) How the cost of purchasing and installing an  
10 additional meter is to be allocated between the customer-generator and  
11 the utility;

12 ~~((3))~~ (c) Shall charge the customer-generator a minimum monthly  
13 fee that is the same as other customers of the electric utility in the  
14 same rate class, but shall not charge the customer-generator any  
15 additional standby, capacity, interconnection, or other fee or charge  
16 unless the commission, in the case of an electrical company, or the  
17 appropriate governing body, in the case of other electric utilities,  
18 determines, after appropriate notice and opportunity for comment that:

19 ~~((a))~~ (i) The electric utility will incur direct costs associated  
20 with interconnecting or administering net metering systems that exceed  
21 any offsetting benefits associated with these systems; and

22 ~~((b))~~ (ii) Public policy is best served by imposing these costs  
23 on the customer-generator rather than allocating these costs among the  
24 utility's entire customer base.

25 (2) If a production meter and software is required by the electric  
26 utility to provide meter aggregation under RCW 80.60.030(4), the  
27 customer-generator is responsible for the purchase of the production  
28 meter and software.

29 **Sec. 3.** RCW 80.60.030 and 2006 c 201 s 3 are each amended to read  
30 as follows:

31 Consistent with the other provisions of this chapter, the net  
32 energy measurement must be calculated in the following manner:

33 (1) The electric utility shall measure the net electricity produced  
34 or consumed during the billing period, in accordance with normal  
35 metering practices.

36 (2) If the electricity supplied by the electric utility exceeds the  
37 electricity generated by the customer-generator and fed back to the

1 electric utility during the billing period, the customer-generator  
2 shall be billed for the net electricity supplied by the electric  
3 utility, in accordance with normal metering practices.

4 (3) If electricity generated by the customer-generator exceeds the  
5 electricity supplied by the electric utility, the customer-generator:

6 (a) Shall be billed for the appropriate customer charges for that  
7 billing period, in accordance with RCW 80.60.020; and

8 (b) Shall be credited for the excess kilowatt-hours generated  
9 during the billing period, with this kilowatt-hour credit appearing on  
10 the bill for the following billing period.

11 (4) If a customer-generator requests, an electric utility shall  
12 provide meter aggregation.

13 (a) For customer-generators participating in meter aggregation,  
14 kilowatt-hours credits earned by a net metering system during the  
15 billing period first shall be used to offset electricity supplied by  
16 the electric utility.

17 (b) Excess kilowatt-hours credits earned by the net metering  
18 system, during the same billing period, shall be credited equally by  
19 the electric utility to remaining meters located on all premises of a  
20 customer-generator at the designated rate of each meter.

21 (c) Meters so aggregated shall not change rate classes due to meter  
22 aggregation under this section.

23 (5) On April 30th of each calendar year, any remaining unused  
24 kilowatt-hour credit accumulated during the previous year shall be  
25 granted to the electric utility, without any compensation to the  
26 customer-generator."

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27 On page 1, line 1 of the title, after "electricity;" strike the  
28 remainder of the title and insert "and amending RCW 80.60.010,  
29 80.60.020, and 80.60.030."

EFFECT: Replaces the term "generated" with "credits" to make consistent with language in existing RCW.

Clarifies that aggregating meters does not change the underlying rate class of that meter.

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